

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF COLUMBIA GAS OF)	CASE NO.
KENTUCKY, INC.)	2016-00285

ORDER

On December 13, 2013, in Case No. 2013-00167,¹ the Commission approved rates for Columbia Gas of Kentucky, Inc. ("Columbia") and provided for their further adjustment in accordance with Columbia's Gas Cost Adjustment ("GCA") clause.

On August 1, 2016, Columbia filed its proposed GCA to be effective August 29, 2016. Columbia also filed a request for a waiver of the 30-day notice requirement so that its proposed rates could be effective with the first billing cycle of September, which begins August 29, 2016. In support of its request for a shortened notice period, Columbia stated that although its application was prepared to be filed on Friday, July 29, 2016, more than 30 days in advance of the proposed effective date, technical problems caused its application to be submitted on Monday August 1, 2016. Columbia supplemented its application with additional information on August 10, 2016 and August 15, 2016.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

¹ Case No. 2013-00167, *Application of Columbia Gas of Kentucky, Inc. for an Adjustment in Rates for Gas Service* (Ky. PSC Dec. 13, 2013).

1. Columbia's notice includes rates designed to pass on to its customers its expected change in wholesale gas costs.

2. Columbia's Expected Gas Cost ("EGC") is \$4.5164 per Mcf, which is an increase of \$.6628 per Mcf from its previous EGC of \$3.8536 per Mcf.

3. Columbia's notice sets out a rate for Banking and Balancing Service of \$.0209 per Mcf, which is no change from its previous Banking and Balancing Service rate.

4. Columbia's notice sets out a current quarter supplier Refund Adjustment ("RA") of (\$.0010) per Mcf. Columbia's total RA is (\$.0010) per Mcf, which is an increase of \$.0006 per Mcf from its previous total RA of (\$.0016) per Mcf.

5. Columbia's revised notice sets out an Actual Cost Adjustment ("ACA") of (\$.3788) per Mcf, which is an increase of \$1.5739 per Mcf from its previous ACA of (\$1.9527) per Mcf.

6. Columbia's notice sets out a Balancing Adjustment ("BA") of \$.0000 per Mcf, which is an increase of \$.0755 per Mcf from its previous BA of (\$.0755) per Mcf.

7. Columbia's notice sets out a Special Agency Service ("SAS") refund adjustment of \$.0000 per Mcf, which is no change from its previous SAS refund adjustment.

8. Columbia's notice sets out a Performance Based Rider ("PBR") rate of \$.3668 per Mcf, which is no change from its previous PBR rate.

9. Columbia's GCA is \$4.5034 per Mcf, which is an increase of \$2.3128 per Mcf from the previous GCA of \$2.1906 per Mcf.

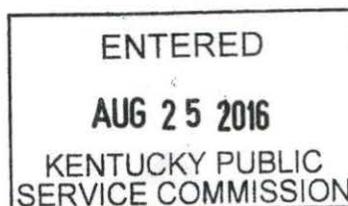
10. The rates as proposed by Columbia and set forth in the Appendix to this Order are fair, just, and reasonable and should be approved for billing for the September 2016 billing cycle beginning on August 29, 2016, pursuant to Columbia's showing of good cause for its August 1, 2016 filing date.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Columbia and set forth in the Appendix to this Order are approved for billing for the September 2016 billing cycle beginning on August 29, 2016.

2. Within 20 days of the date of this Order, Columbia shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates and ACA and BA mechanism revisions approved herein and reflecting that they were approved pursuant to this Order.

By the Commission



ATTEST:

A handwritten signature in blue ink that reads "Jalina R. Mathews". The signature is written in a cursive style.

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00285 DATED **AUG 25 2016**

The following rates and charges are prescribed for the customers in the area served by Columbia Gas of Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

CURRENTLY EFFECTIVE BILLING RATES

<u>SALES SERVICE</u>	<u>Base Rate</u> <u>Charge</u> \$	<u>Gas Cost Adjustment</u> ^{1/} <u>Demand</u> \$	<u>Commodity</u> \$	<u>Total</u> <u>Billing</u> <u>Rate</u> \$
<u>RATE SCHEDULE GSR</u>				
Delivery Charge per Mcf	2.2666	1.5811	2.9223	6.7700
<u>RATE SCHEDULE GSO</u>				
<u>Commercial or Industrial</u>				
First 50 Mcf or less per billing period	2.2666	1.5811	2.9223	6.7700
Next 350 Mcf per billing period	1.7520	1.5811	2.9223	6.2554
Next 600 Mcf per billing period	1.6659	1.5811	2.9223	6.1693
Over 1,000 Mcf per billing period	1.5164	1.5811	2.9223	6.0198
<u>RATE SCHEDULE IS</u>				
First 30,000 Mcf per billing period	0.5443		2.9223 ^{2/}	3.4666
Over 30,000 Mcf per billing period	0.2890		2.9223 ^{2/}	3.2113
Firm Service Demand Charge				
Demand Charge times Daily Firm				
Volume (Mcf) in Customer Service Agreement		6.8133		6.8133
<u>RATE SCHEDULE IUS</u>				
Delivery Charge per Mcf	0.8150	1.5811	2.9223	5.3184

^{1/} The Gas Cost Adjustment, as shown, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets 48 through 51 of Columbia's Tariff. The Gas Cost Adjustment applicable to a customer who is receiving service under Rate Schedule GS or IUS and received service under Rate Schedule SVGTS shall be \$4.5164 per Mcf only for those months of the prior 12 months during which they were served under Rate Schedule SVGTS.

^{2/} IS Customers may be subject to the Demand Gas Cost, under the conditions set forth on Sheets 14 and 15 of Columbia's tariff.

TRANSPORTATION SERVICE

RATE SCHEDULE SS

Standby Service Demand Charge per Mcf			
Demand Charge times Daily Firm			
Volume (Mcf) in Customer Service Agreement	6.8133		6.8133
Standby Service Commodity Charge per Mcf		2.9223	2.9223

RATE SCHEDULE DS

Banking and Balancing Service			
Rate per Mcf	0.0209		0.0209

RATE SCHEDULE MLDS

Banking and Balancing Service			
Rate per Mcf	0.0209		0.0209

RATE SCHEDULE SVGTS

		<u>Base Rate</u>	
		\$	
<u>General Service Residential (SGVTS GSR)</u>			
Delivery Charge per Mcf		2.2666	
<u>General Service Other-Commercial or Industrial (SVGTS GSO)</u>			
First 50 Mcf or less per billing period		2.2666	
Next 350 Mcf per billing period		1.7520	
Next 600 Mcf per billing period		1.6659	
Over 1,000 Mcf per billing period		1.5164	
<u>Intrastate Utility Service</u>			
Delivery Charge per Mcf		0.8150	
		<u>Billing Rate</u>	
		\$	
<u>Actual Gas Cost Adjustment</u> ^{3/}		(.1214)	

RATE SCHEDULE SVAS

Balancing Charge-per Mcf		1.3900	
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^{3/} The Gas Cost Adjustment is applicable to a customer who is receiving service under Rate Schedule SVGTS and received service under Rate Schedule GS, IS, or IUS for only those months of the prior twelve months during which they were served under Rate Schedule GS, IS, or IUS.

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